

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

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Stanley Madaloni, :  
Plaintiff, : 11 CIV 5086 (RMB) (DCF)  
v. :  
Mada Design, Inc., : **ANSWER TO COUNTERCLAIMS OF**  
Defendant. : **DEFENDANT MADA DESIGN, INC.**  
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Plaintiff Stanley Madaloni, by his undersigned attorneys, for his answer to the Counterclaims of Defendant Mada Design, Inc., states as follows:

25. Plaintiff admits that Defendant is a creative agency, but otherwise denies the allegations of Paragraph 25 of the Counterclaims.
26. Plaintiff admits the allegations of Paragraph 26 of the Counterclaims.
27. Plaintiff admits the allegations of Paragraph 27 of the Counterclaims.
28. Plaintiff admits that Plaintiff continued to be employed under an employment agreement, but denies that Plaintiff's duties remained the same as they were prior to Iverco, Inc.'s purchase of Defendant.
29. Plaintiff admits the allegations of Paragraph 29 of the Counterclaims.
30. Plaintiff admits that the employment agreement had a five-year term, and otherwise denies the allegations of Paragraph 30 of the Counterclaims. Plaintiff refers to the agreement with respect to early termination.

31. Plaintiff denies knowledge or information sufficient to form a belief, but states that the Defendant hired a consultant who issued a report that would have limited expenses by elimination of jobs.

32. Plaintiff denies the allegations of Paragraph 32 of the Counterclaims, and states that Plaintiff made a proposal that would have limited expenses by the same amount without significantly eliminating jobs. Both Mininger and the consultant accepted this proposal.

33. Plaintiff denies knowledge or information sufficient to form a belief as to Mininger's beliefs and otherwise denies the allegations of Paragraph 33 of the Counterclaims.

34. Plaintiff denies the allegations of Paragraph 34 of the Counterclaims.

35. Plaintiff denies the allegations of Paragraph 35 of the Counterclaims.

36. Plaintiff denies the allegations of Paragraph 36 of the Counterclaims, except admits that several vendor checks received in July were not immediately deposited pending further instruction from Mininger.

37. Plaintiff denies the allegations of Paragraph 37 of the Counterclaims, and states further that Mininger was fully aware of all accounts payable and often issued instructions as to which payables should be paid and which should not be paid.

38. Plaintiff denies the allegations of Paragraph 38 of the Counterclaims.

39. Plaintiff denies the allegations of Paragraph 39 of the Counterclaims, except admits the existence of the note referred to.

40. Plaintiff denies the allegations of Paragraph 40 of the Counterclaims, and further states that the Plaintiff never agreed to any extension of the note.

41. Plaintiff denies the allegations of Paragraph 41 of the Counterclaims.

42. Plaintiff denies the allegations of Paragraph 42 of the Counterclaims, and states further that Defendant's accountant had the password at all times and that Mininger could have accessed the password any time he wanted.

43. Plaintiff denies the allegations of Paragraph 43 of the Counterclaims.

44. Plaintiff denies the allegations of Paragraph 44 of the Counterclaims.

45. Plaintiff denies the allegations of Paragraph 45 of the Counterclaims.

46. Plaintiff admits the allegations of Paragraph 46 of the Counterclaims.

47. Plaintiff denies the allegations of Paragraph 47 of the Counterclaims.

48. Plaintiff respectfully repeats and realleges his responses to paragraphs 25 through and including 47, as set forth above.

49. Plaintiff admits the allegations of Paragraph 49 of the Counterclaims.

50. Plaintiff denies the allegations of Paragraph 50 of the Counterclaims.

51. Plaintiff denies the allegations of Paragraph 51 of the Counterclaims.

52. Plaintiff admits that a portion of Plaintiff's salary was paid through July 15, 2011, and otherwise denies the allegations of Paragraph 52 of the Counterclaims.

53. Plaintiff denies the allegations of Paragraph 53 of the Counterclaims.

54. Plaintiff denies the allegations of Paragraph 54 of the Counterclaims.

55. Plaintiff respectfully repeats and realleges his responses to paragraphs 25 through and including 54, as set forth above.

56. Plaintiff admits the allegations of Paragraph 56 of the Counterclaims, and states further that this duty was fulfilled.

57. Plaintiff denies the allegations of Paragraph 57 of the Counterclaims.

58. Plaintiff denies the allegations of Paragraph 58 of the Counterclaims.

59. Plaintiff denies the allegations of Paragraph 59 of the Counterclaims.
60. Plaintiff denies the allegations of Paragraph 60 of the Counterclaims.
61. Plaintiff denies the allegations of Paragraph 61 of the Counterclaims.
62. Plaintiff admits that a portion of Plaintiff's salary was paid through July 15, 2011, which was the date on which Defendant terminated Plaintiff's employment without cause.
63. Plaintiff denies the allegations of Paragraph 63 of the Counterclaims.

Dated: September 29, 2011  
New York, New York

DUANE MORRIS LLP

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